



# State of South Carolina

## Office of the Governor

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June 6, 2007

The Honorable Robert W. Harrell, Jr.  
Speaker of the House of Representatives  
Post Office Box 11867  
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Dear Mr. Speaker and Members of the House:

I am hereby returning without my approval H. 3161, R-95, a bill that reaffirms and furthers the state's unusual control of our public school transportation system.

South Carolina is the only state in the country that owns and operates a statewide bus system. Our fleet of 5,700 buses represents fully half of all the state-owned buses nationally. Owning and operating the nation's largest state-owned system has led to increased regulations, specifically in regard to mandated engine horsepower, seating capacity and frame design – all of which have combined to increase the purchase price of buses in South Carolina.

South Carolina spends more per mile driven and more per pupil transported than states like Georgia, Florida, and even Mississippi. Running a costlier transportation system is one of the reasons why South Carolina ranks 38<sup>th</sup> nationally in the percentage of educational dollars that get to the classroom.

Unfortunately, H. 3161 would simply perpetuate this system. Some would say it would make this already bad situation worse because given the stringent state-mandated regulations associated with a statewide system, it would guarantee higher bus costs going forward. The sticker price of implementing the 15-year replacement cycle established by this bill would mean a \$26.9 million commitment each year to buy 370 new buses – \$3.7 million more than what our neighboring states pay to institute a comparable cycle using similarly-equipped buses.

In fact, this estimated cost may actually be higher since the bus specification requirements included in bids issued by the State Department of Education serve to reduce the number of bidders and, consequently, increase prices.

As I have stated in prior veto messages, I believe that a more effective approach to our public school transportation system is to, at minimum, leverage the private sector – either through contracting with private providers, as two school districts have done in recent years, or leasing a



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substantial portion of our school bus fleet – and in the long run move to a locally run system. The school bus needs in the flat land of Jasper County are far different than the needs of the very hilly Pickens County.

The TransPar group conducted an evaluation of the state's transportation system in 2006 and found that by using \$9 million out of the \$36 million appropriated for school bus purchases in 2006-07 one could lease 1,000 new buses - rather than using the entire amount to purchase only 475 buses. This one strategy alone would reduce the replacement cycle and generate substantial cost savings in the transportation system – and allow more money to be spent in the classroom.

I also believe that we should be moving away from the state-owned and -operated approach not only for reasons of cost, but to improve quality of life. I favor the sort of local control of our public transportation system that the Legislature seemed to be moving toward in passing the Safe Routes to School Act of 2004. That act allowed municipal and county governing bodies to work with school districts to identify and eliminate barriers to students who chose to walk or ride their bicycles to school. The Federal Highway Administration supported the Safe Routes to School initiative by committing \$3.6 million in Federal money to support grants of \$200,000 per school board to provide infrastructure, training, and information for parents so that more students can safely walk to school.

Finally, the Bill and Melinda Gates Foundation has put \$2.2 billion into their small school initiative because they have seen clear correlation between smaller school size and educational performance. In the present system, there is little local incentive to build more local schools because the state picks up the tab for transportation.

So I think that changing the overall system could impact some of the foundations of our educational system, bus routes themselves and associated sprawl and finally dollars going into the actual classroom. Unfortunately, H. 3161 would once again assert the state's predominant role when it comes to transportation.

For all of these reasons, I am vetoing H. 3161, R-95, and returning it without my approval.

Sincerely,



Mark Sanford